

**Continental General Insurance Company**  
**May 29, 2019****SERFF #s:** GLTC-131682546 and GLTC-131682870**Filing Summary:**

Continental General Insurance Company requested approval to increase the premium 20% on 450 policies from two series of business: LTC2 and LTC3. The request is summarized below.

Series	Forms	# of Policies	Requested Increase	SERFF Numbers
LTC2	80650 1/97 PA and 80880 NTQ 1/98 PA	363	20%	GLTC-131682546
LTC3	82000 1/01 PA and 82120 9/01 PA.	87	20%	GLTC-131682870
450				

The Department approved a 10% increase on policies issued prior to 9/16/2002 and a 20% increase on policies issued on or after 9/16/2002 for the 363 PA policyholders of LTC forms 80650 1/97 PA and 80880 NTQ 1/98 PA.

The Department approved a 10% increase on policies issued prior to 9/16/2002 and a 20% increase on policies issued on or after 9/16/2002 on the 87 PA policyholders of LTC forms 82000 1/01 PA and 82120 9/01 PA.

**Effective date of rate change:** Renewals on and after 5/29/2019.

The current policies in place are not generating sufficient premium to pay future claims to policyholders. This is a common problem for a number of insurers nationwide because policyholders are keeping their policies longer than expected and are living longer than projected. As a result, policyholders are using more benefits on average than the company anticipated when the policies were originally sold. This means the company has to pay out more for benefits than it originally projected.

In making this decision, the Department considered the projected loss ratio for each block of policy forms, that is, the projected total amount of benefits paid out versus the total amount of premium collected, the reasonableness of the assumptions the company used in its projections, and the company's financial situation. The Department also considered the financial impact this rate increase would pose to consumers, the past rate increases policyholders have faced, and the availability of options to limit the rate increase by reducing benefits.

The company is offering ways for policyholders to limit the rate increase by reducing benefits. The company will let you know your options when they contact you directly about this premium increase.

This Rate Filing Decision Summary is a tool to help explain the rate filing and does not describe all the factors considered as part of the Department's rate review.